GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:1362
ANSWERED ON:27.11.2000
SUBSIDIES TO FARMERS
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Will the Minister of AGRICULTURE be pleased to state:

(a) the details of the subsidies granted to the farmers directly or indirectly;

(b) the subsidies out of the total granted to small and marginal farmers as well as to relatively poor sections of farmers during the last three years;

(c) whether any study has been conducted to ascertain that the benefit of subsidies reach the targeted farmers at lower level; and

(d) if so, the findings thereof? ANSWER

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHRIPAD Y. NAIK)

(a) to (d) The major agricultural subsidies given to the farmers are in terms of subsidised prices of fertilizers, lower charges for irrigation and power and subsidies given on seeds, farm machinery etc. A statement giving details of the subsidies given to agriculture sector under these various headings, since 1996-97 as compiled by the Central Statistical Organisation is annexed. Information about the percentage of subsidies out of total subsidies for agriculture sector which is going to small and marginal farmers, is not maintained. The Government have sponsored a study to ascertain whether the benefits of the subsidies are reaching the targeted farmers. However, the Central Government is also implementing several schemes targeting specially small and marginal farmers and certain subsidies/incentives are inbuilt into these schemes. As per the information received from the Central Statistical Organisation, subsidies amounting to Rs.1124 crores were given to small and marginal farmers in 1997-98 for components like seeds, agro-mechanisation etc.

ANNEXURE

DETAILS OF SUBSIDIES TO AGRICULTURE SECTOR

(Rs. Crore) Item

1996-97 (Actuals) 1997-98 (Actuals) 1998-99 (actuals) 1999-2000 (Revised)

Subsidy to agriculture sector through inputs

1.Fertilizer (Total) 7578 9918 11596 13250

1.1 Indigenous fertilizer 4743 6600 7473 8670

1.2 Imported fertilizer 1163 722 333 80

1.3 Sale of decontrolled Fertilizer with concession to farmers 1672 2596 3790 4500

2. Electricity 8356 6210 N.A. N.A.

3. Irrigation ## 9117 10284 10880+ N.A.

4. Other subsidies given

to marginal farmers in the form of seeds, development of oil seeds, pulses and farmers cooperative societies etc.	917	1124	N.A.	N.A.

Source: 1. Fertilizers: Expenditure Budget 2000-2001, Vol. I of Central Government.

2. Electricity and Irrigation: Central Statistical Organisation.

Note N.A.: Not Available.

Electricity includes all subsidies to Electricity Boards and Corporations. Separate estimates of electricity subsidy accountable exclusively to agricultural sector is not available.

The rates for supply of water to farmers are kept low as a matter of policy resulting in losses to the Government irrigation system. The excess of operating costs over the gross revenue is treated as imputed irrigation subsidy.

+ Quick estimate.